

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 975 – SB 1390

May 9, 2017

**SUMMARY OF ORIGINAL BILL:** Requires each executive state department to report the number of preferred service employees affected by a reduction-in-force during the previous fiscal year to the Chairs of the State Government Committee of the House of Representatives and the State and Local Government Committee of the Senate by August 1, 2017, and by August 1 of each subsequent year.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENTS (007225, 008741):** Amendment 007225 deletes all language after the enacting clause. Authorizes an assessment of eligibles, as defined under current law, to be used in lieu of an interview by the Department of Human Resources (DOHR) for satisfying any requirements of the chapter. Authorizes notice of such assessment to be included in the job description and announcement. Authorizes DOHR to provide input on all contracts with the private sector to perform basic clerical, unskilled or semi-skilled labor, or domestic, attendant or custodial work.

Requires an appointing authority terminating, furloughing, or reducing the work hours of an employee to provide written notice to the DOHR. Requires the DOHR to provide input throughout the reduction-in-force process upon receiving such notice. Requires the DOHR to notify the General Assembly at the same time the preferred state employee whose position is abolished because of a reduction in force is notified, but not less than 30 days after the reduction.

Requires a notice of termination for cause to include the reasons for such termination that led to such termination. Requires any written notice issued to an employee to be void after two years if such employee has not been subject to further disciplinary action.

Amendment 008741 adds language to the bill as amended by 007225 requiring a state department or agency to notify, no less than 30 days before execution of a state professional facilities management contract for services within a state legislative district resulting in the outsourcing of facilities management services to private, non-state government entities, each General Assembly member representing such district. Requires the Department of General Services (DGS) to annually provide a facilities management status report to the Governor and Speakers of the Senate and House of Representatives, including, but not limited to the following information: (1) the departments or agencies executing a state contract for professional facilities

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management; (2) the number of state employees impacted by such contract; (3) the estimated cost savings of such contract; and the cost savings realized by any such contract in place for one year or greater.

## **FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:**

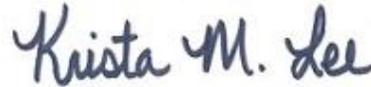
**Unchanged from the original fiscal note.**

Assumptions for the bill as amended:

- It is estimated that DOHR will ensure compliance and can accommodate the provisions of the proposed legislation using existing resources without an increased appropriation or a reduced version.
- It is estimated that state departments and agencies will ensure compliance with the reporting requirements and can accommodate the provisions of the proposed legislation using existing resources without an increased appropriation or a reduced version; therefore, any fiscal impact is estimated to be not significant.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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